## KEEGAN, WERLIN & PABIAN, LLP

## ATTORNEYS AT LAW 265 FRANKLIN STREET BOSTON, MASSACHUSETTS 02110-3113

TELECOPIERS: (617) 951-1354 (617) 951-0586

(617) 951-1400

DAVID S. ROSENZWEIG E-mail: drosen@kwplaw.com

November 4, 2004

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station – 2<sup>nd</sup> Floor
Boston, Massachusetts 02110

Re: <u>City of Cambridge</u>, D.T.E. 04-65

Dear Secretary Cottrell:

I am writing on behalf of Cambridge Electric Light Company ("NSTAR Electric" or the "Company") to request a modification to the procedural schedule in the above-referenced proceeding. Although NSTAR Electric and the City of Cambridge (the "City") had previously agreed to a proposed procedural schedule, and such schedule was adopted by the Hearing Officer on November 3<sup>rd</sup>, recent events have caused a one-month extension to the procedural schedule to be necessary. The principal reason driving the need for these schedule modifications is other ongoing proceedings at the Department of Telecommunications and Energy (the "Department") that require the immediate attention of the Company's witness in this case, Christine L. Vaughan, and her associated staff.<sup>1</sup>

Such proposed modifications are set forth below:

•	December 3:	Deadline for Issuing Discovery Questions
•	December 17:	Deadline for Responding to Discovery Questions
•	January 10:	Deadline for Submitting Pre-Filed Testimony
•	January 14:	Evidentiary Hearing
•	January 21:	Deadline for Initial Briefs (Simultaneous)
•	January 28:	Deadline for Reply Briefs (Simultaneous)

Among other ongoing proceedings, Ms. Vaughan and her staff are actively involved in a series of purchase-power agreement ("PPA") buyouts and restructurings that are currently being investigated by the Department. These include: D.T.E. 04-61 (MASSPOWER buyout); D.T.E. 04-68 (Ocean State Power sale); D.T.E. 04-70 (securitization of PPA termination payments); D.T.E. 04-78 (Dartmouth Power termination); D.T.E. 04-85 (Northeast Energy Associates contract restructuring). Within this same time frame, NSTAR Electric is also required to submit to the Department its 2004 transition-cost reconciliation filings for Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company. The combination of all these cases simply makes it impractical for the Company to be able to go forward in this proceeding during the month of November under the existing schedule.

Letter to Secretary Cottrell November 4, 2004 Page 2

The Company and the City have discussed the above modifications to the procedural schedule, and I am authorized to state that the City agrees to these dates.<sup>2</sup> Accordingly, the Company requests that the Department approve this schedule, as revised above. We apologize for any inconvenience that this schedule change imposes. Please contact me on behalf of the Company and John Shortsleeve on behalf of the City, if you have questions regarding this schedule.

Very truly yours,

David S. Rosenzweig

cc: William H. Stevens, Jr., Hearing Officer

John Shortsleeve, Esq. Christine M. Vaughan

Kerry Britland

In connection with these schedule modifications, NSTAR Electric and the City have agreed to make any result in the proceeding subject to reconciliation with interest (calculated at the Prime Rate) to the date of closing of the City's purchase of streetlights. That is, under the present purchase agreement, the Company and the City expect to close on the City's purchase of certain streetlights at the beginning of 2005 based upon the Company's estimate of the year-end balance of unamortized investment. If, as a result of the Department's order in this proceeding (or as a consequence of any subsequent appeal), a lower value is determined to apply, the purchase price of the streetlights would be adjusted accordingly and interest would be computed on any overpayment made during the interim period.